

CENLA COMMUNITY ACTION COMMITTEE, INC.**AUDIT REPORT****MARCH 31, 2011**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date NOV 02 2011

Terrie L. Jackson
Certified Public Accountants

CENLA COMMUNITY ACTION COMMITTEE, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Cenla Community Action Committee, Inc.
Alexandria, Louisiana

We have audited the accompanying statements of financial position of Cenla Community Action Committee, Inc. (Cenla) as of March 31, 2011 and 2010, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of Cenla Community Action Committee, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

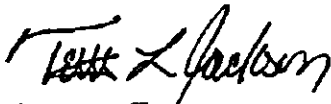
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cenla Community Action Committee, Inc. as of March 31, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2011 on our consideration of Cenla Community Action Committee, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and

the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Further, the supplemental schedules listed on pages 22 – 23 of this report are presented for purposes of additional analysis and are also not a required part of these financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink, appearing to read "Tette L. Jackson".

Houston, Texas
September 28, 2011

Cenla Community Action Committee, Inc.
Statements of Financial Position
March 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Assets		
Current assets		
Cash	\$ 381,642	\$ 339,191
Grants receivable	92,695	79,253
Other assets	<u>-</u>	<u>-</u>
Total current assets	474,337	418,445
Property and Equipment		
Furniture, fixtures, equipment	1,106,720	1,027,394
Vehicles	1,237,048	1,237,048
Buildings	1,843,975	1,843,975
Improvements	341,340	31,570
Land	45,225	45,225
Less accumulated depreciation	<u>(2,467,055)</u>	<u>(2,304,958)</u>
Net property and equipment	2,107,253	1,880,254
 Total assets	 <u>\$ 2,581,590</u>	 <u>\$ 2,298,699</u>
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 73,613	\$ 124,811
Bank overdraft	21,642	
Accrued liabilities	-	-
Current portion of long term debt	<u>26,015</u>	<u>26,015</u>
 Total current liabilities	 121,270	 150,826
Noncurrent liabilities		
Notes payable	<u>761,913</u>	<u>875,039</u>
Total liabilities	883,183	1,025,865
Net assets		
Unrestricted	199,556	159,271
Temporarily restricted	66,488	10,587
Permanently restricted	<u>1,432,363</u>	<u>1,102,976</u>
Total net assets	1,698,407	1,272,834
Total liabilities and net assets	 <u>\$ 2,581,590</u>	 <u>\$ 2,298,699</u>

See accompanying notes.

Cenla Community Action Committee, Inc.
Statements of Activities
For the Years Ended March 31, 2011 and 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2011 Total</u>	<u>2010 Total</u>
<u>Revenues, gains, and other support:</u>					
Grant funds	\$ -	\$ 11,095,316	\$ -	\$ 11,095,316	\$ 9,509,445
Interest	-	-	-	-	-
Local	159,857	-	-	159,857	91,609
Senior Citizens	-	-	-	-	-
Other	-	-	-	-	-
	<u>159,857</u>	<u>11,095,316</u>	<u>-</u>	<u>11,255,173</u>	<u>9,601,053</u>
<u>Net assets released from restriction:</u>					
Satisfaction of program restrictions	10,554,987	(10,554,987)	-	0	-
Satisfaction of capital acquisition	-	(389,095)	389,095	-	-
Mortgage payments	-	(95,334)	95,334	-	-
Expiration of time restrictions	<u>155,042</u>	<u>-</u>	<u>(155,042)</u>	<u>-</u>	<u>-</u>
	<u>10,710,029</u>	<u>(11,039,416)</u>	<u>329,387</u>	<u>0</u>	<u>-</u>
Total unrestricted revenues, gains, and other support	10,869,886	55,900	329,387	11,255,173	9,601,053
<u>Expenses and losses:</u>					
Head Start and Early Head Start Grant	7,323,849	-	-	7,323,849	6,876,621
Child and Adult Care Food Program	697,235	-	-	697,235	616,961
Community Services Block Grant	709,471	-	-	709,471	773,276
Home Energy Assistance	1,940,234	-	-	1,940,234	1,224,605
Homeland Security	-	-	-	-	-
TANF	-	-	-	-	-
FEMA	6,687	-	-	6,687	10,572
NFMC	2,195	-	-	2,195	-
Senior Citizens	95,245	-	-	95,245	136,739
General Services	54,686	-	-	54,686	31,601
Client Assistance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,497</u>
Total expenses and losses	10,829,601	-	-	10,829,601	9,676,871
Changes in net assets:	40,285	55,900	329,387	425,572	(75,818)
Net assets at beginning of year	<u>159,271</u>	<u>10,587</u>	<u>1,102,976</u>	<u>1,272,834</u>	<u>1,348,652</u>
Net assets at end of year	<u>\$ 199,556</u>	<u>\$ 66,487</u>	<u>\$ 1,432,363</u>	<u>\$ 1,698,406</u>	<u>\$ 1,272,834</u>

See accompanying notes.

Cenla Community Action Committee, Inc.
Statements of Cash Flows
For the Years Ended March 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>Cash flows from operating activities:</u>		
Cash received from grants	\$ 11,241,731	\$ 9,620,732
Cash paid to employees and suppliers	(10,608,116)	(9,384,833)
Interest paid	<u>(88,948)</u>	<u>(67,361)</u>
Net cash provided (used) by operating activities	544,667	168,538
<u>Cash flows from investing activities:</u>		
Capital purchases	(389,096)	(432,173)
Other	<u>-</u>	<u>-</u>
Net cash provided (used) by investing activities	(389,096)	(432,173)
<u>Cash flows from financing activities:</u>		
Increase (Decrease) in notes payable	(113,120)	206,657
Other	<u>-</u>	<u>-</u>
Net cash provided (used) by financing activities	(113,120)	206,657
Net increase (decrease) in cash	42,451	(56,978)
Cash at beginning of year	<u>339,191</u>	<u>396,169</u>
Cash at end of year	\$ 381,642	\$ 339,191
<u>Reconciliation of change in net assets</u> <u>to net cash provided by operating activities:</u>		
Change in net assets	\$ 425,572	\$ (75,818)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	162,097	145,038
Change in receivables	(13,442)	32,910
Change in accounts payables	(29,560)	66,408
Net cash provided (used) by operating activities	<u>\$ 544,667</u>	<u>\$ 168,538</u>

Carla Community Action Committee, Inc.
Statements of Functional Expenses
March 31, 2011 and 2010

Expenses:	Benevolent Fund	Non Federal	General Admin	Payroll	Senior XX Title	Early and Regular Head Start	FIXED ASSETS	EXPANSION	ARRA HEAD START	06SA500202 93709 EXPANSION	CACFP	ARRA CSBG	CSBG	Energy	2011 TOTAL	2010 TOTAL
Personnel	\$ -	\$ -	\$ 26,055	\$ -	\$ 37,938	\$ 3,867,252	\$ -	\$ -	\$ 272,128	\$ 123,445	\$ 123,270	\$ 264,653	\$ 59,557	\$ 242,610	\$ 71,734	\$ 4,626,843
Fringe benefits	-	-	2,090	-	11,235	1,293,750	-	-	31,244	22,941	43,254	136,785	13,715	59,719	20,718	1,471,351
Travel	-	2,067	1,393	-	-	34,570	-	-	52	28,028	21,990.53	3,287	114	3,082	31,938	101,804
Equipment	-	-	-	-	-	-	-	-	-	-	-	-	1,373	79	-	5,672
Supplies	-	78	1,538	-	2,586	104,278	-	-	260	73,165	9,889.05	23,807	-	-	7,226	224,221
Occupancy	-	-	-	-	-	101,995	-	-	-	9,040.00	-	-	-	-	113,035	86,455
Contractual	-	-	-	-	-	77,961	-	-	-	-	-	-	-	-	77,961	4,026
Telephone	-	-	41	-	197	32,703	-	-	-	601.91	1,036	-	-	-	1,472	46,203
Utilities	-	-	258	-	-	100,904	-	-	-	3,553.79	-	-	-	-	1,446	124,084
Insurance	-	-	-	-	598	148,601	-	-	-	373.89	-	-	-	-	149,573	70,423
Vehicle operation	-	-	-	-	-	131,118	-	-	-	-	-	-	-	-	131,118	169,459
Maintenance	-	-	-	-	801	-	-	-	87,443	160.00	21,487	-	-	-	109,890	275,577
Office expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,655
Professional	-	-	1,900	-	-	15,334	-	-	446	2,695.64	-	-	-	-	21,476	96,164
Food cost	-	-	3,534	-	-	132,201	-	-	-	223.08	245,314	-	-	-	381,273	313,970
Interest	-	-	-	-	-	88,948	-	-	-	-	-	-	-	-	88,948	67,361
Miscellaneous	-	9,994	-	-	-	237	-	-	-	8,479.36	-	-	-	-	18,710	199,507
Client assistance	-	-	12,004	-	41,121	-	-	-	-	-	-	-	-	-	2,133,563	1,434,706
Other	391	1,408	817	-	750	93,308	-	-	62,748	9,161	865	4,188	251,942	24,230	1,804,265	203,355
Total	\$ 391	\$ 13,546	\$ 49,630	\$ -	\$ 95,245	\$ 6,223,160	\$ -	\$ 391,573	\$ 312,327	\$ 232,692	\$ 697,235	\$ 330,890	\$ 378,581	\$ 1,940,234	\$ 10,667,504	\$ 9,531,833
Depreciation	-	-	-	-	-	-	155,042	7,055	-	-	-	-	-	-	162,097	145,038
Total	\$ 391	\$ 13,546	\$ 49,630	\$ -	\$ 95,245	\$ 6,223,160	\$ 155,042	\$ 398,628	\$ 312,327	\$ 232,692	\$ 697,235	\$ 330,890	\$ 378,581	\$ 1,940,234	\$ 10,829,601	\$ 9,676,871

See accompanying notes.
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CENLA COMMUNITY ACTION COMMITTEE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Program Description -

The Cenla Community Action Committee, Incorporated was incorporated by the State of Louisiana on March 17, 1965. Specifically, the corporation is organized to:

- A. promote and develop economic opportunity in the community comprising all of the Parish of Rapides and the State of Louisiana,
- B. provide services, directly and indirectly to those in need of increased economic opportunity,
- C. promote the education and welfare of the people of the community and State of Louisiana,
- D. provide decent housing that is affordable to low and moderate income people or homeless individuals,
- E. to mobilize such human and financial resources as may be available to combat poverty and economic instability in the community and the State of Louisiana, and
- F. to avail itself and the community of the benefits conferred by Public Law 88-452, 78 stat. 508, as may be periodically amended and supplemented by other statutes and by appropriate rules and regulations of any administrative body.

Cenla's operations are segregated into general grant programs as follows:

Head Start Program (HS) provides comprehensive educational and support services to low-income and disabled children three to five years of age and children who have not reached the compensatory school age. This program provides health, mental health, nutrition, education and parent involvement services to children in an effort to enable the child to function at an optimum level in their environment.

Early Head Start Program (EHS) provides similar services as Head Start to children of preschool age and services to pregnant mothers. Cenla operates Head Start and Early Head Start centers in Rapides Parish. The goal of the program is to bring about a greater depth of social competence in children by considering the total development of the child, to enable parents to become better caregivers and teachers to and for their children, and to assist parents in obtaining their personal goals including education and economic independence. Funding is provided through federal funds from the U.S. Department of Health and Human Services.

CENLA COMMUNITY ACTION COMMITTEE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2011
(Continued)

Child and Adult Care Food Program (CACFP) provides a food service program in conjunction with the Head Start and Early Head Start Programs. Funding is provided by federal funds passed through the State of Louisiana, Department of Education.

Community Services Block Grant (CSBG) provides administrative costs for various programs in order to provide assistance to low-income, disadvantaged and unemployed persons through providing emergency assistance, transportation services, housing services, nutrition services, community projects, employment services, and other services. Funding is provided by federal funds passed through the State of Louisiana, Department of Labor.

Home Energy Assistance Program (LIHEAP) provides assistance to low income households to offset the burden of high energy costs. Funding is provided by federal funds passed through the Louisiana Housing Finance Agency.

Senior Citizens Program provides funding to meet various needs of senior citizens of Rapides Parish. Funding is provided by an ad valorem tax passed through the Rapides Parish Police Jury.

Temporary Assistance for Needy Families (TANF) provides earned income tax credit (EITC) outreach and free federal tax preparation services for low-individuals and families. Funding is provided through federal funds passed through the Department of Health and Human Services.

Reporting Entity - The governing body of Cenla is its Board of Directors. The Board appoints an Executive Director to administer the affairs of the agency. Cenla is not considered a component of the city, county or any governmental body. The governing board independently oversees the agencies operations.

- 1) The accompanying financial statements include all of the organization's programs, activities and functions of Cenla for which the Board has oversight responsibility, except as described in the following paragraph. Such oversight responsibilities include designation of management, the ability to significantly influence operations, accountability for fiscal matters, and the scope of public services.
- 2) Some equipment is owned by Cenla while used in the program for which it was purchased or in other future authorized programs. The funding sources, however, have a reversionary interest in the equipment purchased with grant funds, therefore its disposition, as well as the ownership of any sale proceeds therefrom is subject to funding source regulations.

CENLA COMMUNITY ACTION COMMITTEE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2011
(Continued)

NOTE 2: BASIS OF ACCOUNTING

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles. Cenla uses the accrual basis of accounting.

Financial Statement Presentation – The financial statements are presented as recommended by Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-205, *Financial Statements of Not-for-Profit Organizations*. FASB ASC 958-205 requires the agency to report information regarding its financial position and activities into three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets.

Revenue and Support – Grant revenues (Grants and Governmental reimbursements) are recognized using the legal and contractual requirements of the Agency's programs as guidance. Grant revenues (where funds must be expended for specific purposes prior to amount being reimbursed to the Agency) are recognized based on expenditures recorded.

Cenla reports grants and gifts of cash and other assets as restricted support if they are received with donor or grant stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Property and Equipment – It is the Cenla's policy to capitalize property and equipment over \$500. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulation regarding how long those donated assets must be maintained, the Agency reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. Cenla recognizes depreciation on its fixed assets in accordance with generally accepted accounting principles. The Federal government has a reversionary interest in property purchased with Federal funds. Its disposition, as well as any disposition proceeds, is subject to federal regulations. The use of assets purchased with federal funds is limited to the purposes intended by the funding source. Fixed assets are depreciated using the straight-line method as follows:

<u>Property & Equipment</u>	<u>Useful Life</u>	<u>Method</u>
Buildings	30 years	Straight-line
Furniture, fixtures, equipment	5 – 10 years	Straight-line

CENLA COMMUNITY ACTION COMMITTEE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2011
(Continued)

<u>Property & Equipment</u>	<u>Useful Life</u>	<u>Method</u>
Vehicles	5 years	Straight-line

Depreciation expense for the year ended March 31, 2011 totaled \$162,097.

Cash and Cash Equivalents – For purposes of the Statement of Cash Flows, Cenla considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cenla had no cash equivalents at March 31, 2011.

Use of Estimates – Management must make estimates and assumptions to prepare financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, the reported revenues and expenses, and the allocation of expenses among various functions. Actual results could vary from the estimates that were used.

Income Taxes – Cenla is a not-for-profit organization that is exempt from income taxes under Section 501 (c) (3) of the Internal Revenue Code and classified by the Internal Revenue Service as a private corporation.

Contributed Services – During the year ended March 31, 2011, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Agency at the Head Start and Early Head Start facilities in meeting their non federal share requirement, but these services do not meet the criteria for recognition as contributed services under FASB ASC 958.

NOTE 3: PROGRAM EXPENSES

Net assets were released from grantor restrictions by incurred expenses satisfying the restricted purposes or by occurrence of other events specified by funding sources.

Purpose restrictions accomplished:

Head Start & Early Head Start Program	\$7,323,849
Child and Adult Care Food Program	697,235
Community Services Block Grant	709,471
Temporary Assistance for Needy Families	--- 0 ---
Low Income Home Assistance Program	1,940,234
Homeland Security	6,687
Total	\$10,677,476

CENLA COMMUNITY ACTION COMMITTEE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2011
(Continued)

NOTE 4: LEASE COMMITMENTS

Cenla leases several buildings and certain operating equipment under operating leases. Rent expense for the year ended March 31, 2011 was \$113,035.

NOTE 5: NOTES PAYABLE

Cenla had notes payable in the amount of \$787,928 at year-end. These notes were netted against property and equipment.

Notes payable consists of the following at March 31:

	<u>2011</u>
Loan payable, Evangeline Bank and Trust, maturity January 15, 2013, interest at 6.95%, monthly payments of \$2,078.00 including interest, with one balloon payment at maturity collateralized by buildings	\$ 121,632
Loan payable, Peoples State Bank, maturity March 23, 2014, interest at 7.5%, monthly payments of \$4,558.19 including interest, with one balloon payment at maturity collateralized by building	310,332
Loan payable, Peoples State Bank, maturity December 15, 2013, interest at 7.5%, monthly payments of \$1,825.06 including interest, with one balloon payment at maturity collateralized by buildings	121,339
Loan payable, Evangeline Bank and Trust, maturity July 15, 2024, interest at 6%, monthly payments of \$2,260.00 including interest, collateralized by buildings	<u>234,625</u>
Total	787,928
Less current portion	<u>(26,015)</u>
Long-term portion	\$ 761,913

Interest expense related to the notes for the year totaled \$88,948.

CENLA COMMUNITY ACTION COMMITTEE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2011
(Continued)

Future maturities of long-term debt as of March 31, 2011 are as follows:

Year ended March 31,	Approximate Amount
2013	\$ 88,204
2014	205,680
Thereafter	<u>468,029</u>
Total	\$761,913

NOTE 6: CONCENTRATION OF CREDIT RISK

Cenla received over 99% of its funding from Federal and State grants with the Head Start program providing over 72% of all grant revenues.

Concentrations of credit risk with respect to grant receivables are limited due to these amounts being due from governmental agencies under contractual terms. As of March 31, 2011, Cenla had no significant concentrations of credit risk in relation to grant receivables.

NOTE 7: PENSION

Cenla participates in a qualified 403(b) plan for all eligible employees. Employees eligible to participate may contribute \$9,500 or 20% of their annual salary to the plan. Cenla will match the employees' contributions up to 5% of the employees' gross wages. The assets of the plan are managed by separate directors and are not included in these financial statements. Cenla contributed \$82,574 to the plan for the year ended March 31, 2011.

NOTE 8: COMMITMENTS AND CONTINGENCIES

Employees of the agency are entitled to annual leave depending on job classification, length of service and other factors. Cenla's policy is to pay one year accumulated annual leave, not to exceed one hundred forty-four hours, if funds are available. Accordingly, no liability has been recorded in the accompanying statement of financial position. Cenla agrees to recognize the costs of compensated absences when actually paid.

Cenla participates in certain governmental financial assistance programs. Although Cenla's grant programs have been audited through March 31, 2011 in accordance with provisions of the Single

CENLA COMMUNITY ACTION COMMITTEE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2011
(Continued)

Audit Act, these programs are still subject to financial and compliance audits by the grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although Cenla expects such amounts, if any, to be immaterial.

NOTE 9: SUBSEQUENT EVENTS

Subsequent events were evaluated through September 28, 2011, the date that the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

CENLA COMMUNITY ACTION COMMITTEE, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended March 31, 2011

Federal Grantor/Pass through Grantor/Program Title	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures
<u>U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Direct Program			
Head Start Program	93.600	06CH5002/45	\$ 6,380,965
American Recovery & Reinvestment Act (ARRA)	93.708	06SE5002/01	70,769
Early Head Start ARRA Expansion	93.709	06SA5002/01	658,506
Early Head Start ARRA Expansion	93.709	06SA5002/02	232,692
Passed through Louisiana Department of Labor			
American Recovery & Reinvestment Act (ARRA)	93.710	2009N0014	330,890
Community Services Block Grant (CSBG)	93.569	2010N0014	378,581
Passed through Louisiana Housing Finance Agency			
Low Income Home Energy Assistance Program (LIHEAP)	93.568	Unknown	1,940,234
Total U.S. Department of Health and Human Services			<u>9,992,637</u>
<u>U. S. DEPARTMENT OF AGRICULTURE</u>			
Passed Through Louisiana Department of Education			
Child and Adult Care Food Program (CACFP)	10.558	N/A	<u>697,235</u>
Total U. S. Department of Agriculture			<u>697,235</u>
<u>U. S. DEPARTMENT OF HOMELAND SECURITY</u>			
Passed through a local governing board			
Emergency Food and Shelter Program (FEMA)	97.024		6,687
American Recovery & Reinvestment Act (ARRA)	97.114		<u>-</u>
Total U. S. Department of Homeland Security			<u>6,687</u>
Total Federal Expenditures			<u><u>\$ 10,696,559</u></u>

RECONCILIATION OF FINANCIAL STATEMENT EXPENSES TO FEDERAL EXPENDITURES

EXPENSES FROM FINANCIAL STATEMENTS	\$ 10,829,601
Less: Non federal expenses	(430,249)
Depreciation	(162,097)
Add: Mortgage payments	113,125
Capital Acquisitions	346,179
Total Federal Expenditures	<u><u>\$ 10,696,559</u></u>

See accompanying notes.

Cenla Community Action Committee, Inc.
Notes to Schedule of Expenditures of Federal Awards
March 31, 2011

Basis of Presentation – Schedule of Expenditures of Federal Awards

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes federal grant activity of Cenla Community Action Committee, Inc. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of Cenla Community Action Committee, Inc. it is not intended to and does not present the financial position, changes in net assets or cash flows of Cenla.

Summary of Significant Accounting

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in 2 CFR 230, *Cost Principles for Non-Profit Organizations*, wherein certain types of expenditure are not allowable or are limited as to reimbursement.

Cenla is able to reconcile the amounts on the accompanying schedule of federal awards to those on the financial statements.

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors
Cenla Community Action Committee, Inc.
Alexandria, Louisiana

We have audited the financial statements of Cenla Community Action Committee, Inc. (Cenla) as of and for the year ended March 31, 2011, and have issued our report thereon dated September 28, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Cenla Community Action Committee, Inc. is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Cenla Community Action Committee, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Cenla's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cenla's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the board of directors, others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Tami Jackson".

Houston, Texas
September 28, 2011

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**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE
A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Directors
Cenla Community Action Committee, Inc.
Alexandria, Louisiana

Compliance

We have audited Cenla Community Action Committee, Inc.'s (Cenla's) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Cenla Community Action Committee, Inc.'s major federal programs for the year ended March 31, 2011. Cenla Community Action Committee, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Cenla's management. Our responsibility is to express an opinion on Cenla's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Cenla's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Cenla's compliance with those requirements.

In our opinion, Cenla Community Action Committee, Inc. complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2011.

Internal Control Over Compliance

Management of Cenla is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Cenla's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Cenla's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Cenla's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above.

This report is intended solely for the information and use of management, the board of directors, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Houston, Texas
September 28, 2011

**Cenla Community Action Committee, Inc.
Summary Schedule of Prior Audit Findings
March 31, 2011**

There were no prior audit findings.

CENLA COMMUNITY ACTION COMMITTEE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MARCH 31, 2011

Section I --Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified? No

Significant deficiencies identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

Material weaknesses identified? No

Significant deficiencies identified? None reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program</u>
93.600, 93.708, 93.709	Head Start Cluster
93.569, 93.710	Community Services Block Grant Cluster
93.568	Low Income Home Energy Assistance Program
10.558	Child and Adult Care Food Program

Dollar threshold used to distinguish between type A and type B programs:
\$320,897

Auditee qualified as low-risk auditee? Yes

Section II-Financial Statement Findings

None reported

Section III-Federal Award Findings and Questioned Costs – Major Programs

None reported

CENLA COMMUNITY ACTION COMMITTEE, INC.
COMBINING STATEMENTS OF FINANCIAL POSITION
MARCH 31, 2011

Assets	BENT FUND	NON FED	GEN ADMIN	PAY- ROLL	GEN ADMIN	ENERGY	SENIOR SERVICES	FIXED ASSETS	HEAD START	CACFP	06SA5002/01 EHS EXPANSION	ARRA HEAD START	06SA5002/02 93709 EXPANSION	CSPG ARRA	N0014 CSBG
Current Assets															
Cash	\$ 1,258	\$ 2,439	\$ 7,925	\$ 296,248	\$ 4,728	\$ 29,468	\$ 22,565	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,133	\$ -	\$ -
Grants Receivable	-	-	-	-	-	-	-	-	-	91,035	-	-	1,661	-	-
Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,258	2,439	7,925	296,248	4,728	29,468	22,565	-	-	91,035	-	-	2,794	-	-
Prepaid Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fixed Assets															
Furn. Fix & Equip	-	-	-	-	-	-	-	1,040,739	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	1,237,048	-	-	65,981	-	-	-	-
Buildings	-	-	-	-	-	-	-	1,525,492	-	-	-	318,483	-	-	-
Improvements	-	-	-	-	-	-	-	-	-	-	309,770	31,570	-	-	-
Land	-	-	-	-	-	-	-	45,225	-	-	-	-	-	-	-
Acc Depreciation	-	-	-	-	-	-	-	(2,460,000)	-	-	-	(7,055)	-	-	-
Total	-	-	-	-	-	-	-	1,388,504	-	-	375,751	342,998	-	-	-
Total Assets	1,258	2,439	7,925	296,248	4,728	29,468	22,565	1,388,504	-	91,035	375,751	342,998	2,794	-	-
Liabilities															
Current Liabilities															
Accounts payable	-	-	-	-	-	-	-	-	-	69,393	-	-	-	-	-
Bank overdraft	-	-	-	-	-	-	-	-	-	21,642	-	-	-	-	-
Accrued liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current L/T Debt	-	-	-	-	-	-	-	26,015	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	26,015	-	91,035	-	-	-	-	-
L/T Debt	-	-	-	-	-	-	-	520,794	-	-	-	241,118	-	-	-
Total Liabilities	-	-	-	-	-	-	-	546,809	-	91,035	-	241,118	-	-	-
Net assets:															
Unrestricted	1,258	2,439	7,925	296,248	4,728	-	-	-	-	-	-	-	-	-	-
Temporarily	-	-	-	-	-	29,468	22,565	-	-	-	-	-	2,794	-	-
Permanently	-	-	-	-	-	-	-	841,694	-	-	375,751	101,880	-	-	-
Total net	1,258	2,439	7,925	296,248	4,728	29,468	22,565	841,694	-	-	375,751	101,880	2,794	-	-
TOTAL	\$ 1,258	\$ 2,439	\$ 7,925	\$ 296,248	\$ 4,728	\$ 29,468	\$ 22,565	\$ 1,388,504	\$ -	\$ 91,035	\$ 375,751	\$ 342,998	\$ 2,794	\$ -	\$ -

CENLA COMMUNITY ACTION COMMITTEE, INC.
COMBINING STATEMENTS OF FINANCIAL POSITION
MARCH 31, 2011

Assets	18 CSBQ	22 CSBQ	2011 BALANCE	2010 BALANCE
Current Assets				
Cash	\$ 4,216	\$ 11,661	\$ 381,642	\$ 339,191
Grants Receivable	-	-	92,695	79,253
Other Assets	-	-	-	-
Total	4,216	11,661	474,337	418,445
Prepaid Expenses	-	-	-	-
Fixed Assets				
Furn. Fix & Equip	-	-	1,106,720	1,027,394
Vehicles	-	-	1,237,048	1,237,048
Buildings	-	-	1,843,975	1,843,975
Improvements	-	-	341,340	31,570
Land	-	-	45,225	45,225
Acc Depreciation	-	-	(2,467,055)	(2,304,958)
Total	-	-	2,107,253	1,880,254
Total Assets	4,216	11,661	2,581,590	2,298,699
Liabilities				
Current Liabilities				
Accounts payable	4,216	-	73,609	124,811
Bank overdraft	-	-	21,642	-
Accrued liabilities	-	-	-	-
Current L/T Debt	-	-	26,015	26,015
Total	4,216	-	121,266	150,826
L/T Debt	-	-	761,913	875,039
Total liabilities	4,216	-	883,179	1,025,865
Net assets:				
Unrestricted	-	-	312,598	(424,780)
Temporarily	-	11,661	66,488	76,271
Permanently	-	-	1,319,325	1,621,344
Total net	-	11,661	1,698,411	1,272,834
TOTAL	\$ 4,216	\$ 11,661	\$ 2,581,590	\$ 2,298,699

CENLA COMMUNITY ACTION COMMITTEE, INC.
COMBINING STATEMENTS OF ACTIVITIES
YEARS ENDING MARCH 31, 2011

	BENT FUND	NON FED	PAY- ROLL	GEN ADMIN	NON FED	ENERGY	SENIOR SERVICES	FIXED ASSETS	HEAD START	CACFP	06SA5002/01 93709 EXPIRY	ARRA HEAD START	06SA5002/02 93709 EXPIRY	ARRA CSBG
Revenues														
Interest	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Grant Revenues	-	-	-	-	-	1,981,329	68,217	-	6,380,965	697,235	391,573	654,138	235,486	295,046
FEMA	-	-	-	-	6,687	-	-	-	-	-	-	-	-	-
Homeland Security	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local	-	-	107,778	-	44,570	-	-	-	-	-	-	-	-	7,508
Senior Citizens	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	107,778	-	51,257	1,981,329	68,217	-	6,380,965	697,235	391,573	654,138	235,486	302,554
Net Assets Released														
Program Restriction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mortgage Retirement	-	-	-	-	-	-	-	95,334	(113,125)	-	17,792	-	-	-
Equipment Acquisition	-	-	-	-	-	-	-	42,916	(42,916)	-	-	-	-	-
Expiration of Time Restr.	-	-	-	-	-	-	-	138,250	(156,041)	-	17,792	-	-	-
	-	-	-	-	-	-	-	138,250	(156,041)	-	17,792	-	-	-
Total	-	-	107,778	-	51,257	1,981,329	68,217	138,250	6,224,924	697,235	409,364	654,138	235,486	302,554
Expenses														
Head Start	-	-	-	-	-	-	-	155,042	6,225,160	-	398,628	312,327	235,692	-
CACFP	-	-	-	-	-	-	-	-	-	697,235	-	-	-	-
CSBG	-	-	-	-	-	-	-	-	-	-	-	-	-	330,890
Homeland Security	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Energy	-	-	-	-	-	1,940,234	-	-	-	-	-	-	-	-
TANF	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FEMA	-	-	-	-	6,687	-	-	-	-	-	-	-	-	-
NFMC	-	-	-	-	2,195	-	-	-	-	-	-	-	-	-
Senior Citizens	-	-	-	-	-	-	95,245	-	-	-	-	-	-	-
General Services	391.49	13,546.06	-	-	40,748	-	-	-	-	-	-	-	-	-
Client Assistance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	391.49	13,546.06	-	-	49,630	1,940,234	95,245	155,042	6,225,160	697,235	398,628	312,327	235,692	330,890
Changes in net assets	(391.49)	(13,546.06)	107,778	-	1,627	41,095	(27,028)	(16,792)	(237)	0	10,737	341,811	2,794	(28,336)
Beginning, Net Assets	1,644.16	15,985.28	188,471	7,925	3,100	(11,627)	49,593	858,486	237	-	91,143	33,940	-	28,336
Transfer out	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer in	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unrestricted	1,252.67	2,439.22	296,249	7,925	4,728	29,467	22,565	-	-	-	-	-	2,794	-
Temporarily	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Permanently	-	-	-	-	-	-	-	841,694	-	-	101,880	375,751	-	-
Ending Net Assets	1,252.67	2,439.22	296,249	7,925	4,728	29,467	22,565	841,694	-	-	101,880	375,751	2,794	-

CEKLA COMMUNITY ACTION COMMITTEE, INC.
COMBINING STATEMENTS OF ACTIVITIES
YEARS ENDING MARCH 31, 2011

	N0014 CSBG	2011 Total	2010 Total
Revenues			
Interest		\$ -	\$ -
Grant Revenues	384,641	11,088,629	9,504,831
FEMA	-	6,687	3,614
Homeland Security	-	-	-
Local	-	159,857	91,611
Senior Citizens	-	-	-
Donations	-	-	-
	384,641	11,255,173	9,601,055
Net Assets Released			
Program Restriction	-	-	-
Mortgage Retirement	-	(0)	-
Equipment Acquisition	-	-	-
Expiration of Time Restr.	-	-	-
	-	(0)	-
Total	384,641	11,255,173	9,601,055
Expenses			
Head Start	-	7,323,849	6,876,621
CACFP	-	697,235	616,961
CSBG	378,581	709,471	773,276
Homeland Security	-	-	-
Energy	-	1,940,234	1,224,605
TANF	-	-	-
FEMA	-	6,687	10,572
NFMC	-	2,195	-
Senior Citizens	-	95,245	136,759
General Services	-	54,686	31,601
Client Assistance	-	-	6,497
Total	378,581	10,829,601	9,676,871
Changes in net assets	6,060	425,572	(75,816)
Beginning, Net Assets	5,601	1,272,834	1,348,649
Transfer out	-	-	(52,253)
Transfer in	-	-	52,254
Unrestricted	-	312,594	-
Temporarily	11,661	66,487	-
Permanently	-	1,319,225	-
Ending Net Assets	\$ 11,661	\$ 1,688,406	\$ 1,372,833